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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL ADJUSTMENT ADMINISTRATION

INSTRUCTIONS RELATING TO ASSIGNMENTS AND USE OF FORM ACP-69

(Pursuant to section 8 (g) of the Soil Conservation
and Domestic Allotment Act)

I. PURPOSE AND SCOPE OF ASSIGNMENTS

A. To finance making a crop.—A payment which may be made to a farmer (hereinafter referred to as the "assignor") under section 8 of the Soil Conservation and Domestic Allotment Act, as amended, may be assigned only as security for cash or advances to finance making a crop. To finance making a crop means (1) to finance the planting, cultivating, or harvesting of a crop, including the purchase of equipment required therefor; (2) to provide food, clothing, and other necessities required by the assignor or persons dependent upon the assignor for the purpose of making a crop; or (3) to finance the carrying-out of soil-building or range-building practices. Nothing contained herein shall be construed to authorize an assignment given to secure the payment of the whole or any part of the purchase price of a farm or the payment of the whole or any part of a cash or fixed commodity rent for a farm.

B. Cash or advances.—An assignment may be given (1) to secure repayment of cash advanced to the assignor to cover the cost of supplies or services required by him to make a crop, (2) to secure payment for supplies or services furnished to the assignor to make a crop, or (3) to secure the repayment of cash or the cash value of supplies or services being advanced in successive installments or on the order of the assignor pursuant to a contract or agreement. The amount of the cash or the cash value of the supplies or services must be stated exactly. No assignment shall be recognized by the United States when it is given to secure repayment of an indefinite sum or for the total amount or a part of the total amount of any payment without stating the amount of the cash or the cash value of the supplies or services advanced or being advanced pursuant to the contract or agreement.

C. Without discount.—The payments assigned shall not be discounted, by charging the assignor more than the current cash price for any supplies furnished, by deducting interest in advance from any cash advanced, or in any other manner whatsoever.

D. The current crop year.—The cash, supplies, or services must be advanced to the assignor to finance making a crop during the year current at the time the assignment is made and must not be made to secure or pay any preexisting indebtedness of any nature whatsoever. The assignment shall be effective only with respect

to the payments which may be or become due and payable to the assignor for participation in the program under section 8 of the Soil Conservation and Domestic Allotment Act, as amended, for the year current at the time the assignment is given. The unpaid balance of any amount advanced in 1 year and secured by an assignment cannot be secured by an assignment of any payments which may become due and payable to the assignor for participation in the program for any subsequent year.

E. The farm.—Each assignment must be limited to the payment which may be made to the assignor with respect to a single farm or a single ranching unit as determined for the purpose of the Agricultural Conservation Program or the Range Conservation Program under section 8 of the Soil Conservation and Domestic Allotment Act, as amended.

F. Payment to the assignee.—Unless the indebtedness secured by an assignment has been repaid or otherwise discharged prior to the time application for payment is made by the assignor, the amount of the payment to which the assignor is entitled under his application, or an amount equal to the indebtedness, or the amount of the indebtedness which remains unpaid or undischarged, whichever is the smallest, will be paid directly to the assignee: *Provided, however,* That in case payment should happen to be made to the assignor there is no authority of law for any suit against or the imposition of any liability upon the Secretary of Agriculture or any disbursing agent. If payment is made to the assignee and the indebtedness secured by the assignment has been repaid in whole or in part before the payment is received by the assignee, the assignee shall receive the payment in trust to pay over to the assignor, in full and without discount, all of the payment except any amount of the original advance remaining unpaid.

G. Payment to the assignor.—If the indebtedness secured by an assignment has been repaid or otherwise discharged prior to the time application for payment is made by the assignor, payment shall be made to the assignor without regard to such assignment. If the indebtedness secured by an assignment has not been repaid or otherwise discharged prior to the time application for payment is made by the assignor, the amount of the payment to which the assignor is entitled under his application in excess of the amount thereof assigned shall be paid to the assignor.

II. THE ASSIGNOR AND ASSIGNEE

A. The assignor.—Any person, whether a landlord, tenant, or sharecropper, who is eligible for a payment under the agricultural conservation program may assign such payment. A further assignment by the assignee of a payment assigned to him shall not be recognized by the United States.

B. The assignee.—Any person, including a department or bureau of the Federal Government or corporate governmental agency wholly owned and controlled by the Federal Government, who advances cash, supplies, or services to the farmer for the purpose of financing the making of a crop during the year current at the time the assignment is given may be named as assignee. An assignment shall be

effective in favor of and binding upon the assignee and the persons entitled by law to receive and administer the personal estate of the assignee in case of his death, incompetency, insolvency, or bankruptcy.

III. EXECUTION OF ASSIGNMENT

A. In writing.—The assignor must execute the original and two copies of part I of Form ACP-69. Assignments made orally or in writing upon forms other than Form ACP-69 shall not be recognized by the United States. The term "Form ACP-69" means the official prescribed form bearing that designation and printed by the United States Government Printing Office.

B. Execution of part I of Form ACP-69.—1. Part I of Form ACP-69 must show the following information:

a. The State and county code and identifying serial number for the farm or ranching unit with respect to which the assignment is made.

b. The State and county in which the assignor resides.

c. The typed or printed name of the assignor and his full mail address.

d. The amount of the cash or the cash value of the supplies or services advanced by the assignee to the assignor or the amount thereof which is being advanced to the assignor pursuant to the contract or agreement between the assignor and the assignee.

e. The typed or printed name of the assignee and his full mail address.

f. The place at which the assignment was executed and the date thereof.

2. Part I of ACP-69 shall be signed by the assignor and witnessed by a member of the county or community committee, or by the treasurer or secretary of such committee for the county or community in which the farm or ranching unit is deemed to be located. An assignment made by a natural person other than an absentee landlord shall not be recognized by the United States when made by an agent of the assignor. An assignment may be executed by a duly authorized officer of a corporation, firm, association, or other legal entity, or by the agent of a non-resident landlord, or by a member of a partnership, or an executor, administrator, or other person authorized by law to administer the personal estate of a farmer, provided proper evidence of the authority of such agent or fiduciary is presented; such evidence to be in accordance with ACP-16, "Instructions on Signatures and Authorizations." In case any payment would be made to two or more persons jointly, any assignment thereof must be executed by each such person.

3. In all cases part I of Form ACP-69 must be executed in the office of the county agricultural conservation association for the county in which the farm or ranching unit is located or at such places in the county and at such times as are designated by the county committee.

C. Number of assignments.—Not more than one assignment of a payment which may be made to a person with respect to a farm or

ranching unit shall be recognized by the United States. The assignee may release an assignment previously filed by executing and filing part III of Form ACP-69 and a new assignment may be executed and filed either in favor of the original assignee or another. Any released assignment must remain on file in the office of the county agricultural conservation association.

IV. REPRESENTATION OF ASSIGNEE AND RELEASE OF ASSIGNMENT

A. Representations of assignee.—An assignment shall not be recognized by the United States unless and until the assignee, by executing and filing part II of Form ACP-69 in the office of the county agricultural conservation association, (1) represents that there was not deducted from any cash advanced to the assignor any interest, fee, or other charge of any kind and that no more than the current cash price has been charged for any supplies or services advanced to the assignor, (2) states the amount of the advance actually made to the assignor which has not been repaid or otherwise discharged, and (3) agrees that he will receive any sum paid to him by virtue of the assignment in trust to pay over to the assignor in full and without discount any surplus thereof which may remain after discharging that part of the indebtedness which remains unpaid or undischarged at the time such sum is paid to the assignee.

B. Execution of part II of Form ACP-69.—1. When the indebtedness in respect of which an assignment was given is not paid or otherwise discharged at the time the assignor makes application to the United States for payment, part II of Form ACP-69 must show the following information:

a. The typed or printed name of the assignor and his full mail address.

b. That part of the amount assigned which actually was advanced to the assignor and remains unpaid or undischarged at the time part II of Form ACP-69 is executed.

c. The place at which part II of Form ACP-69 was executed and the date of execution of part II.

2. Part II of Form ACP-69 must be signed by the assignee, witnessed by a disinterested person, and filed in the office of the county agricultural conservation association in which the related assignment is filed at the time or prior to the time application is made by the assignor to the United States for payment. In case of the death, incompetency, insolvency, or bankruptcy of the assignee, part II must be executed by the person or persons entitled by law to receive and administer the personal estate of the assignee. Whenever part II is executed by a person or persons acting on behalf of the assignee in a representative capacity or by operation of law, proper evidence of the authority of the person or persons must be presented; such evidence to be in accordance with ACP-16, "Instructions on Signatures and Authorizations."

3. Part II of Form ACP-69 may be executed on the same Form ACP-69 bearing the execution of part I of Form ACP-69 which has been filed in the office of the county agricultural conservation association. Part II of Form ACP-69 may also be executed on a separate

Form ACP-69 provided it is accurately identified by means of the State and county code and identifying serial number of the assignment to which it relates.

C. Release of assignment.—When the indebtedness in respect of which an assignment was given is paid or otherwise discharged prior to the time the assignor makes application to the United States for payment, the assignee shall forthwith execute part III of Form ACP-69 and file it in the office of the county agricultural conservation association. Any released assignment shall remain on file in the county office. Part III of Form ACP-69 must be signed by the assignee in the presence of a disinterested witness and must show the typed or printed name of the assignor and his full mail address and the place and date of execution. In the event of the death, incompetency, insolvency, or bankruptcy of the assignee, part III of Form ACP-69 must be executed by the person or persons entitled by law to administer the personal estate of the assignee. Whenever part III of Form ACP-69 is executed by a person or persons acting on behalf of the assignee in a representative capacity or by operation of law, proper evidence of the authority of the person or persons must be presented; such evidence to be in accordance with ACP-16, "Instructions on Signatures and Authorizations." Part III of Form ACP-69 may be executed on the same Form ACP-69 bearing the execution of part I of Form ACP-69 which has been filed in the office of the county agricultural conservation association. Part III of Form ACP-69 may also be executed on a separate Form ACP-69 provided it is accurately identified by means of the State and county code and identifying serial number of the assignment to which it relates.

D. Other proof that indebtedness has been repaid or otherwise discharged.—If the assignor represents to the county committee that the indebtedness secured by an assignment has been paid or otherwise discharged but that the assignee fails or refuses to execute part III of Form ACP-69, the county agricultural conservation committee shall notify the assignee of the representations made by the assignor. If, after investigation and opportunity for the assignee to be heard, the county committee finds from the evidence presented that the indebtedness in fact has been paid or otherwise discharged, there shall be attached to the assignment a written statement to that effect, signed by the members of the committee and the county committee shall notify the assignee of such finding, and thereafter such assignment shall, so far as concerns the United States, be treated as being void and of no effect.

V. FILING AND PRIORITY

A. Manner of filing assignments.—An assignment shall not be recognized by the United States unless parts I and II of Form ACP-69 are filed in the office of the county agricultural conservation association at or prior to the time that application is made to the Government for the payments assigned. An assignment must be filed in the office of the agricultural conservation association for the county in which the farm or ranching unit is deemed to be located.

B. Time of filing.—The county agricultural extension agent or the county committee shall enter on part I of each Form ACP-69 the date on which Form ACP-69 with part I executed was filed.

